

WASHINGTON, DC - Today, Congressman Mike Quigley (D-IL) announced that many Chicago-area small businesses may be eligible for interest-free loans under a new program created by the American Recovery and Reinvestment Act. The "America's Recovery Capital" (ARC) program, which goes into effect today, allows small firms to take out loans of \$35,000 to pay down existing business debts. Borrowers pay no interest on the ARC loans and repayment does not begin for one year.

"Small business is the engine that keeps the 5th District's local economy running, and they need and deserve our help during this downturn," said Congressman Quigley. "As any business owner knows, access to capital is a lifeline, which is why this new loan program is so critical. The ARC program gives small business owners extra breathing room so they can pay their bills and continue to create jobs during our economic recovery."

To qualify for the ARC loans, small firms must demonstrate they are experiencing immediate financial hardship due to the economic downturn, but are otherwise deemed by the Small Business Administration (SBA) to be viable. The loans will be made by commercial lenders and can be used for payments of principal and interest for existing, qualifying small business debts like credit card obligations, mortgages, lines of credit, and balances due to suppliers, vendors, and utilities.

"Every day, a new 'Commercial Space For Lease' signs goes up in my district, marking where a business and jobs used to be," recalled Cong. Quigley. "This new program is designed to help ease the pressure and keep 'Open' and 'Welcome' signs displayed in the window."

To apply for ARC loans, businesses should visit their local SBA-approved small business lenders. The loans will be available through Sept. 30, 2010, or until appropriated funding runs out. Additional information about the ARC loan program is available at <http://www.sba.gov/recovery/arcloanprogram/index.html>.